

June 24, 2010

Acres Energy, Ltd
303 W. Wall Ste 900
Midland, TX 79701

Re: Schepmann 7-27
SESE Sec. 27-17S-10W
Ellsworth County, Kansas
API # 15-053-21221-00-00

Dear Sir or Madam:

This letter is to inform you that you have been granted an additional extension of time in which to close the drilling pits associated with the drilling of the Schepmann 7-27 well.

The original 365 days for closure expired on 04/25/2009. This extension will expire 09/12/2010. We urge you to make every effort to close these pits within this time frame. In the event there is water standing in these pits, please dewater and dispose of fluids in an authorized disposal facility to expedite closure. Extension of this time frame automatically extends the time period for filing the closure of surface pit form.

Failure to close the pit or request an additional extension prior to the expiration date may result in a fine in accordance with K.A.R. 82-3-602(a). An additional extension will only be granted for good cause and after K.C.C. field staff has made an inspection of the site. Should field staff discover that said pit has been closed before the date of extension request, an administrative penalty may be assessed to you through K.C.C. invoice.

If you have any questions in this regard, please do not hesitate to contact Jonelle Rains at (316) 337-6226.

Very sincerely yours,



Doug Louis
Director

Cc: Jonelle Rains
District

*Rec'd
6-10-10*

FILTER SELECTIO

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Sec Twp Rngn



Company Fin API Number

API # 15-053-21221-00-00 Well SCHEPMANN 7-27 City ELLSWORT Dkt

Oper 33770 ARES ENERGY, LTD A Lgcy Oper

Work Oper C-1 Oper ARES ENERGY, LTD

WL Type OIL WL Stat PR Status Source: ACO1 Status Dt: 12/10/2008

Location 27-17S-10W SWSESE, 330 FSL-1000 FEL District # 02

Dates

Intent Apprv:	<input type="text"/> 04/25/2008	Compl:	<input type="text"/> 12/08/2008
Permit Expire:	<input type="text"/> 04/25/2009	Compl Rpt Rec:	<input type="text"/> 03/04/2009
ACO-1 Spud:	<input type="text"/> 06/08/2008	Plugged:	<input type="text"/>
District Spud:	<input type="text"/>		

Drilling

SC Int:	<input type="text"/> 320	Spud Ltr:	<input type="checkbox"/>	CP 1:	<input type="text"/>
PIT CIs EXT	<input type="text"/> 06/12/2010	SGWA:	<input type="checkbox"/>	CP 2.3:	<input type="checkbox"/> Date CP-2/3 Rec'd: <input type="text"/>
Pit CIs:	<input type="text"/>	RFAC	<input type="checkbox"/>	CP 4:	<input type="checkbox"/> Date CP-4 Rec'd: <input type="text"/>
PIT Status:	<input type="text"/> Active Extension/Closure Dela	RFA	<input type="checkbox"/>	CDP 5:	<input type="text"/> E
Dewater:	<input type="text"/> EV <input type="text"/> BBLS <input type="text"/>	PitLiner	<input type="checkbox"/>		
		Steel	<input type="checkbox"/>		

DIST 3 month exten.

9/12/10

ARES **ENERGY, LTD.**

June 8, 2010

VIA FEDERAL EXPRESS
316-337-6226

Kansas Corporation Commission
Attention: Jonelle Rains
130 South Market, Room - 2078
Wichita, Kansas 67202

Re: Closure of Surface Pit
Schepmann Lease Well No. 7-27
SWSESE Section 27, T17S, R10W
Ellsworth County, Kansas
API No. 15-053-21221-0000

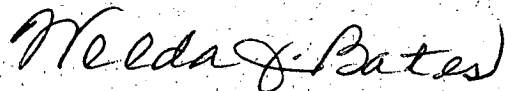
Dear Ms. Rains:

With reference to the captioned well, we hereby request an extension of time from June 12, 2010, to close the pit due to the excessive amount of precipitation received in the area.

Thank you for your understanding of our situation in this matter. If you have any questions or need additional information, please do not hesitate to contact me at ARES Energy, Ltd. at the telephone number shown on the letterhead.

Very truly yours,

ARES ENERGY, LTD.



Welda J. Bates
Land Administrator

RECEIVED
KANSAS CORPORATION COMMISSION

JUN 10 2010

CONSERVATION DIVISION
WICHITA, KS.